



Best Practices *in* Sustainability Planning

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Setting the Reality Stage

- Georgia's Rural Health Networks
- 2003: 19 Rural Health Networks *Greatest Need* – *A Business Plan*
- 2004: 15 Rural Health Networks (10 Vertical; 5 Horizontal; 4 Inactive) *Greatest Need* – *A Business Plan*
- Two RHNs had a BP, none were using it



Setting the Reality Stage

- Small Business Development Council
- Economic Strategy Center
- NPO's



How Did We Get Here?

- 2004 NCHN Conference, Austin Texas
- Capital Strategist's OVP® message
- Georgia's RHNs in need of sustainability approaches
- A Big Hairy Audacious Goal (BHAG)
- State + Private Foundation \$



The Big Hairy Audacious Goal

- For the 5 horizontal networks to adopt fundable, mission-based Return on Investment strategies for sustainability by June 2005
- For the 10 vertical networks to adopt fundable, business-based Return on Investment strategies for sustainability by June 2005



The Objectives...

- To design AND fully fund a multi-dimensional institute on sustainability
- To require deliverables (outputs)
- To offer an incentive for completion of deliverables
- To document the ROI for investors



The Plan...

- To achieve 100% approval/acceptance among investors by September 2004
- To launch the Community Health Systems Development Institute on Sustainability and Resource Acquisition by November 2004



The Plan...

- To host 4, 2-day intensives (e.g., 11.04; 1.05; 2.05; 4.05; & 6.05)
- To adopt a curriculum based on OVP®
- To require deliverables including a fundable Sustainability Plan; a Prospectus for Resource Acquisition; and attendance at a Grants acquisition workshop by June 2005
- To require one-on-one technical assistance for all focus areas to support completion of deliverables beginning in November 2004 and ongoing.



The Barriers...

- Cost
- Time
- Effort
- Diversity
- Values



The Budget...

- To provide all materials, supplies, workbooks
- To cover all travel expenses including hotel, transportation, and meals in Atlanta for 30 participants and 4 trips
- To hire Capital Strategists as faculty and for ~3 site visits
- To fund 6 GHPC staff and 30 site visits
- To provide a \$5,000 incentive for each RHN completing the program and submitting required deliverables
- To host a state-wide luncheon in June to highlight outcomes for key investors



Would the BHAG be accepted by the investors?

- The Office of Rural Health Services
- The Woodruff Foundation
- The 15 Rural Health Networks



YES!!!

- The Office of Rural Health Services
\$160,000 investment
- The Woodruff Foundation
\$60,000 investment
- The Rural Health Networks
7 month investment (~200 hours)



The Sustainability Intensives:

*An Organizational Value Proposition® approach for
implementing strategic initiatives among
15 rural health networks*

- To create a framework for using a Return on Investment (ROI) approach to acquire fiscal, societal, and clinical ‘buy-in’ among key stakeholders.



One Person's Output is Another's Outcome

For the GHPC

- Outputs: # of networks, people attending
(13 networks and 30 participants)
- Outcomes: sustainable plans for members



One Person's Output is Another's Outcome

For the networks

- Outputs: 34 proposed rural health programs and 52.9 new jobs
- Outcomes: Better health at less cost



The I in ROI

Cost:

- \$60,000 – Woodruff Foundation
- \$160,000 – DCH/ORHS
- 7 months/200 hours - for 12 RHNs



The R in ROI...

- 13 of the 15 RHNs agreed to participate
- 1 RHN dropped out
- 12 RHNs adopted Sustainability Plans
- 34 strategic initiatives are proposed
- \$8.9 million price tag
- If 10% of these are accomplished the outcome would be \$890,000 for the \$220,000 investment (or an ROI of 4:1)



The R in ROI... Societal (e.g., diabetes)

- Improved academic performance (*youth*)
- Less absenteeism (*adults*)
- Full-term normal deliveries (*women/infants*)
- Decreased use of hospital services (*local providers*)

The R in ROI... Clinical (e.g., diabetes)

- Increase per cent of diabetics remaining on therapy

(45% of diabetics drop off therapy after 12 months)

- Increase health literacy/knowledge

(50-80% of diabetics have deficits in self care/management)

- Each \$1 spent on OP/diabetes education saves \$2-3 in hospital costs

(Source: APhA Foundation, 2003 statistics)

The R in ROI...Economic Impact (e.g., diabetes)

- *Existing Outputs for RHNs:*

9 provide diabetes education and screening

9 offer prescription assistance

7 provide case management for the un/underinsured

7 enroll individuals in subsidized programs

The R in ROI...Economic Impact re: diabetes

Expected Outcomes: (Too soon to tell)

Better health for more people at less cost

Excess healthcare costs (1997) for diabetics was
\$283M

(Source: Selby JV et al *Diabetes Care*, 1997;20;1396-1402)

Case management decreased medical claims (2004) up
to \$3,356/diabetic (Source: Cranor et al, JAPhA 2003;43(2):183)

Sick-leave was 12.6 days & dropped to 5.7 days (2004)

(Source: The “Asheville Project”, 1997, Center for Health Transformation)



Actual Outcomes for a RHN (2004)

2,899 CM members; < 6 months on CM 1.2%
became inpatients & 3.5% used the ER –
after 25 months on CM, .2% became
inpatients and .5% used the ER

(ISource: Custer, W. Community Health Works September 2004, Georgia State University)

The R in ROI...Economic Impact re: rural Georgia

- Strategic initiatives proposed **53 new jobs** in rural Georgia
- Those jobs create **7** additional jobs
- At an average salary per job of \$25,000 those jobs have a direct impact of **\$1,325,000**, and an additional impact of **\$410,750**

Probable Outcomes for a RHN (2005-2009)

- \$1.4 million saved via CM and ER diversions
- \$480,000 saved via Rx assistance & in-patient diversions
- \$18.4 million saved via Free clinics, Rx assistance, and CM over 4 years

(Source: Coastal Medical Access Project – 2005)



Participant comments...

- *“I continue to be impressed with the thoroughness of the information I receive....I find this well worth my time.”*
- *“Thank you! This is such a tremendous series, we strategized all the way home....”*
- *“These sessions not only expanded but coalesced our vision and future.”*



Participant evaluation...

- 77% response rate
- 75% of respondents have rated the series “Significantly Beneficial”

(highest possible ranking)



The Win:Win

A need → **TA** experiment → **12** sustainability plans (RHNs) → **34** new initiatives designed to improve health at less cost (Georgia) → **30** satisfied RHN customers (GHPC) → **2** consulting contracts (Capital Strategists) →
???



Next Steps...

- To design a web-based ROI and OVP® tool
- To publish a manual for replication purposes
- To modify the approach for various audiences



Different Ways to Make This Work

- Split up each section
- Four days in a row
- Shave costs



Reflections... Stay Tuned!

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